

**GOVERNMENT OF INDIA
STATISTICS AND PROGRAMME IMPLEMENTATION
LOK SABHA**

UNSTARRED QUESTION NO:4417
ANSWERED ON:22.04.2002
SANCTION FOR REVISED PROJECTS
RAVINDRA KUMAR PANDEY

Will the Minister of STATISTICS AND PROGRAMME IMPLEMENTATION be pleased to state:

- (a) whether the Government are contemplating that sanction for the revised projects upto Rs.50 crore be accorded at the level of the Minister concerned;
- (b) if so, the details thereof;
- (c) whether the Government have taken any effective steps in regard to the completion of sanctioned projects within the stipulated time limit and not increasing the amount shown in the original estimates; and
- (d) if so, the details in this regard?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION
(SHRIMATI MANEKA GANDHI)

(a) & (b) The Plan Finance Division of the Ministry of Finance has notified enhancement of powers vide their Order dated 18th February, 2002, that the Plan Projects / Programmes costing less than Rs.50 crore can be approved by the Minister-in-Charge of the Administrative Ministry. Financial sanction of the project / programme would be processed through Departmental Expenditure Finance Committee (EFC) chaired by the Secretary of the concerned Administrative Ministry.

(c) & (d) The steps taken in regard to the completion of sanctioned projects in order to reduce time and cost overruns include:

i) review of projects on monthly as well as quarterly basis by the Government to identify the constraints and to resolve the problems affecting the implementation of projects;

(ii) indepth critical review of the progress by the project authorities and the Administrative Ministries and follow up with the State Governments for acquisition of land, rehabilitation related issues, expediting forest clearances and provision of infrastructure facilities like water and power, ensuring law & order at project sites, etc., with manufacturers for expediting supply of equipment, with contractors, consultants and other concerned agencies to minimise delays;

(iii) exceptional review by the Minister-in-Charge, Prime Minister's Office and the Cabinet Secretariat;

(iv) inter-ministerial coordination for resolving problems of inter-ministerial nature;

(v) appointment of a nodal officer for each project co-terminus with the duration of the project;

(vi) setting up of an Empowered Committee in the concerned administrative Ministries for resolution of problems;

(vii) efforts are on for bringing about modifications in the Land Acquisition Act and development of Standard Rehabilitation Package;

(viii) yearly updating of cost of the project to tie up fund requirement;

(ix) making available matching funds to complete the projects in the advanced stages of implementation as per schedule; and

(x) standing committees have been set up in 28 concerned administrative Ministries to go into the causes of time and cost overruns for projects costing Rs.50 crores and above and to fix responsibility for time and cost overruns. The reports of these Committees form

part of the notes for revised cost estimates of projects with time and cost overruns and are submitted to the Cabinet Committee on Economic Affairs.